



AGENDA REPORT

City Council Meeting

TODAY'S DATE: December 15, 2025

MEETING DATE: December 17, 2025

TO: MAYOR AND CITY COUNCIL

FROM: Holly Ellis, Public Works Director

SUBJECT: Property Use Agreement

BACKGROUND/DESCRIPTION:

On August 26, 2020, the City of Sandpoint and Bridge Street, LLC entered into a Real Property Exchange Agreement, authorized under Resolution 20-037. The exchange was finalized on March 2, 2022, under Resolution 22-011 ("Agreement for Exchange of Real Property").

Under this agreement, the City exchanged approximately 0.31 acres of City-owned property at Farmin's Landing (Parcel No. RPS0215000001AA) for additional public right-of-way along Bridge Street. One primary objective of the exchange was to improve pedestrian, bicycle, and vehicular mobility near the intersection of First Avenue and Bridge Street; the primary access to City Beach.

Per the agreement, Bridge Street, LLC was required to remove the existing access ramp to Bridge Street, construct a retaining wall along the new property boundary, share in the cost of constructing public stairs connecting Bridge Street to Farmin's Landing, construct a widened public sidewalk along Bridge Street, and provide a public access easement from Bridge Street to Farmin's Landing. All design and construction work was subject to City approval and inspection to be in alignment with the City's 2021 Parks and Recreation Master Plan, which envisions enhanced access and connectivity to Farmin's Landing. To guarantee performance, Bridge Street, LLC provided \$385,102.50 in security (150 percent of the estimated improvement value). The agreement also included that Bridge Street, LLC provide the City with \$256,592 to support other improvements at Farmin's Landing, including the access stairs and fulfillment of concept identified in the Parks and Recreation Master Plan.

Following completion of the property exchange, title was recorded in March 2022 (Instrument No. 1002959). The City retained ownership of the public right-of-way along Bridge Street and First Avenue. In July 2022, City Council adopted Resolution 22-031, approving Amendment No. 1 to the Exchange Agreement to extend the developer's construction deadlines.

The City has since bid and awarded the Bridge Street Retaining Wall and Sidewalk Project and is moving forward with construction using the secured funds (\$385,102.50 performance security).

Construction of the Bridge Street Sidewalk and Retaining Wall Project requires temporary access onto adjacent private property owned by Bridge Street, LLC. While the permanent improvements will be constructed within public right-of-way, temporary use of private property is necessary to safely and efficiently complete wall construction, sidewalk installation, staging, and related activities.

The proposed Property Use Agreement accomplishes the following:

- Grants the City and its contractors temporary access to the private parcel for construction purposes;

- Authorizes use of the previously secured developer funds to complete the retaining wall and sidewalk improvements;
- Establishes the duration of the temporary easement, which terminates upon project completion or a defined outside date;
- Defines responsibilities for coordination and removal of existing temporary sheet piles that conflict with construction;
- Requires restoration of disturbed private property areas following construction;
- Addresses insurance, indemnification, and prohibition of liens on private property related to the project; and
- Memorializes the City's commitment to maintain existing public access across Farmin's Landing.

The agreement does not convey permanent property rights, nor does it expand the scope of the project beyond what was previously approved. It is a standard and necessary tool to allow construction to proceed while clearly defining responsibilities and risk for both parties

The agreement has been reviewed for consistency with the existing Exchange Agreement and its amendment. Construction costs will be paid using the developer security already held by the City, with any remaining balance returned to the property owner as required. No additional unbudgeted expenditures are anticipated as a result of approving this agreement

STAFF RECOMMENDATION:

Staff recommends that City Council approve the Property Use Agreement with Bridge Street, LLC and authorize the Mayor to execute the agreement on behalf of the City.

ACTION:

Staff recommends that City Council approve the Property Use Agreement with Bridge Street, LLC and authorize the Mayor to execute the agreement on behalf of the City.

WILL THERE BE ANY FINANCIAL IMPACT? YES HAS THIS ITEM BEEN BUDGETED? YES

ATTACHMENTS:

1. Property Use Agreement
2. Aug 26, 2020 Staff Report
3. Aug 26, 2020 Meeting Minutes
4. Resolution 20-037 Real Property Exchange Agreement
5. September 16, 2020 Staff Report
6. September 16, 2020 Meeting Minutes
7. Resolution 22-011 Agreement for Exchange of Real Property
8. Resolution 22-039 Agreement Amendment No. 1